

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

SAPPINGTON GARDEN, LLC and
CELTIC REALTY ACQUISITION, LLC,
Plaintiffs

V.

Civil Action No. _____

UNITED STATES OF AMERICA,
SECRETARY OF THE TREASURY
STEVEN MNUCHIN and SECRETARY
OF HOUSING AND URBAN
DEVELOPMENT DR. BENJAMIN
CARSON, in their official capacities,
Defendants

**DECLARATION OF ANNE TSENG
PURSUANT TO 28 U.S.C § 1746**

STATE OF TEXAS §
COUNTY OF TARRANT §

Before me, the undersigned authority, on this day personally appeared the undersigned, who, after being duly sworn, stated:

I, Anne Tseng, Managing Member of Sappington Garden, LLC (“Sappington”), have the authority to execute this declaration in support of Plaintiff’s Original Complaint for Declaratory and Injunctive Relief filed by Sappington in the above cause. I attest that the statements provided below are truthful and accurate, to the best of my knowledge, and after reasonable inquiry:

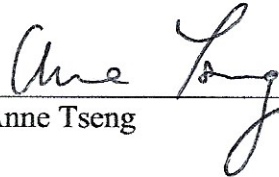
1. Plaintiff Sappington Garden, LLC is a Texas limited liability corporation with its principal place of business in Tarrant County, Texas. Sappington Garden, LLC was incorporated in the state of Texas in 2019. Sappington Garden, LLC is made up of over a dozen small investors, most of which have invested \$25,000 or less.
2. Sappington Garden owns and operates an apartment complex in Fort Worth, Texas called

Sappington Garden, formerly known as Chalk Garden. It has sixteen apartments of varying sizes at price points that attract many blue collar and hourly workers and their families.

3. When Sappington purchased it, the former Chalk Garden apartments had been in need of renovation and maintenance for years. There were even units with persistent bed bug infestation. Sappington began renovating the complex – beginning with complete eradication of the bed bugs. When the pandemic struck and stopped all work, a quarter of the units had been renovated in a matter of months. Sappington has been performing overdue maintenance, and the newly christened Sappington Garden apartments now has a 100% lease renewal rate.
4. Plaintiff Sappington has been proactive in reaching out to its tenants during the COVID-19 pandemic. All late fees have been waived across the board. Plaintiff Sappington has been working with its tenants that have been financial impacted during the pandemic. Tenants have been allowed to pay partial rent as they are able and have been given installment payment plans for the balance that will not begin until the tenants' income is restored.
5. There are a few tenants that have refused to communicate with the management office, have refused to pay or delayed paying any rent, and refused to provide any explanation. With only sixteen units, even a few tenants not paying rent can create significant financial hardship for the complex and its ability to continue providing for its other tenants.
6. Sappington Garden does not currently participate in any of the federal housing programs listed in Section 4024(a)(2)(A) of the CARES Act. It does not receive federal tax dollars or tax credits to provide subsidized rent. Sappington Garden has a tenant who has recently applied for assistance with rent through a Section 8 housing program. We want to help our tenant receive rent assistance and remain in our complex. Sappington Garden has not received any tax credits or other direct federal housing program support. Sappington Garden has not requested mortgage forbearance under Section 4023 of the CARES Act.
7. There is a federally-backed mortgage on Sappington Garden, but there is nothing in the loan documents that says that by entering into the mortgage, Congress or federal

agencies could impose future regulatory demands that would prevent any steps to pursue eviction under our leases. The leases with our tenants allow Sappington to pursue eviction proceedings under Texas law if tenants fail to pay rent or make other arrangements.

I declare under penalty of perjury that the foregoing is true and correct. Executed on the 23 day of June, 2020



Anne Tseng